State/UT	2002-2003	2003-2004	2004-2005
Tamil Nadu	236 54	274.03	310.60
Tripura	63.00	33.07	—
Uttar Pradesh	119.14	263.19	591.76
Uttaranchal	—	5.37	87.88
West Bengal	163.54	132.96	325.74

Processing on potatoes

353. MAULANA OBAIDULLAH KHAN AZMI: SHRI MOTIUR RAHMAN:

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether it is a fact that there is a huge scope of indigenously processing the potatoes, available in the country, into a processed food;

(b) whether it is also a fact that most of the potato-based processed food items in the country are controlled by the multinationals; and

(c) if so, the steps being taken to promote and develop indigenous industry in this field?

THE MINISTER OF STATE IN THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAY): (a) to (c) There is an adequate scope to increase the level of processing of potatoes in the country. Government has already exempted fruits & vegetable products from payment of excise duty. Recently in 2004-05, the Government has allowed under Income Tax Act, a deduction of 100 per cent of profit for five years and 25 per cent of profits for the next five years in case of new agro processing industries set up to process, preserve and package fruits and vegetables. Plan schemes have also been formulated and implemented to provide financial assistance for establishment, support for R&D, human resource development besides other promotional measures to encourage development of food processing industries. Hundred percent Foreign Direct Investment is permitted in the food processing sector except in the cases of food retailing, plantations and alcoholic beverages. Accordingly, some multinational companies have set up their units for processing of potatoes.